SIXTY-THIRD DAY

(Thursday, May 3, 1979)

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present: Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Harris, Howard, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Mauzy, Meier, Mengden, Moore, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Absent-excused: McKnight.

A quorum was announced present.

Chaplain Gerald Mann, University Baptist Church, Austin, offered the invocation as follows:

Lord, help us remember that the only people without problems in this world are in the cemetery. Amen.

On motion of Senator Moore and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

House Chamber May 3, 1979

HONORABLE W. P. HOBBY PRESIDENT OF THE SENATE

SIR: I AM DIRECTED BY THE HOUSE TO INFORM THE SENATE THAT THE HOUSE HAS PASSED THE FOLLOWING:

- **S.B. 131** Relating to rights, privileges, duties, and powers of spouses. (With amendments)
- **S.B. 154** Permitting a person who holds a package store permit to have an interest in a retail beer dealer's off-premise license at a separate location.
- S.B. 164 Relating to the regulation of the practice of plumbing; amending the Plumbing License Law of 1947, as amended (Article 6243-101). (With amendments)
- **S.B. 255** Relating to appeals from certain interlocutory orders in class action suits.
- **S.B. 259** Relating to the regulation of certain irrigators; and providing penalties. (With amendment)
- **S.B. 394** Relating to the definition of criminal injury to a child and the resulting penalties; amending Section 22.04, Penal Code, as amended; and declaring an emergency.

- S.B. 514 Relating to maintenance of the public beaches.
- **S.B.** 518 Relating to an appeal bond in an appeal from a conviction in a justice or municipal court. (With amendment)
- **S.B.** 529 Relating to the duties of a peace officer or magistrate to prevent injury to persons.
- **S.B. 586** Relating to hazardous duty pay for law-enforcement personnel of certain state agencies. (With amendment)
- **S.B. 1025** Relating to the accessibility of information held by certain governmental bodies; amending Chapter 424, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-17a, Vernon's Texas Civil Statutes), by amending Sections 1, 3(a), and 8; adding Section 14(f); and repealing Sections 3(c), 10 and 12. (With amendments)
- **S.B. 1035** Relating to property tax liens and suits to collect property taxes on mobile homes. (With amendments)
- H.C.R. 188, Extending sympathy and commending police action regarding the tragedy during the San Antonio Fiesta
- HCR 161, Directing the Public Utility Commission to develop an energy conservation program to provide information assistance to consumers on ways to reduce energy consumption.
 - HCR 179, In memory of Mitchell Wilder.
- HB 263, A bill to be entitled An Act relating to fees for certified copies of death certificates.
- HB 501, A bill to be entitled An Act relating to exemption from ad valorem taxation of nonprofit homes for the elderly or the handicapped that are exempt from federal income tax; amending Section 27, Article 7150, Revised Civil Statutes of Texas, 1925, as added.
- HB 585, A bill to be entitled An Act relating to jurisdiction of the Public Utility Commission over electric utility rates, operations, and services.
- HB 1628, A bill to be entitled An Act relating to fire safety requirements for nursing homes.
- HB 1885, A bill to be entitled An Act relating to the office of public interest in the Texas Department of Water Resources.
- HB 1905, A bill to be entitled An Act relating to the establishment of industrial commissions in certain counties.
- HB 2235, A bill to be entitled An Act relating to supplemental appropriations and transfers of funds for disasters and emergencies.

The House has granted the request of the Senate for the appointment of a conference committee on Senate Bill No. 43.

House Conferees: Uher, Chairman; Bush, Grubbs, Hall of Denton, Collazo.

HB 22, A bill to be entitled An Act relating to compulsory liability insurance for certain vehicles; amending the Texas Motor Vehicle Safety-Responsibility Act, as amended (Article 6701h, Vernon's Texas Civil Statutes), by adding Sections 1A, 1B, 1C, 1D, 1E, and 1F; providing penalties.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

LEAVE OF ABSENCE

Senator McKnight was granted leave of absence for today on account of important business on motion of Senator Moore.

PRESENTATION OF GUESTS

The President recognized Senator Short who presented to the Members of the Senate his daughter, Mrs. Leah Taylor and granddaughter, Carrie Taylor.

REPORTS OF STANDING COMMITTEES

Senator Jones of Taylor submitted the following report for the Committee on Finance:

S.B. 1165 (Amended) H.B. 1012 C.S.H.B. 558 (Read first time)

Senator Schwartz submitted the following report for the Committee on Natural Resources:

H.B. 1381 H.B. 257 S.B. 1282 H.B. 1832 H.B. 1587 C.S.S.B. 921 (Read first time) C.S.S.B. 764 (Read first time)

Senator Creighton submitted the following report for the Committee on Economic Development:

H.B. 845 H.B. 726 S.B. 1275 C.S.S.B. 933 (Read first time) C.S.S.B. 772 (Read first time)

Senator Moore submitted the following report for the Committee on State Affairs:

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H.B. 993
H.B. 719
H.B. 435
H.B. 500 (Amended)
C.S.H.B. 1115 (Read first time)
H.B. 1672
S.J.R. 40
S.B. 1260
H.B. 1150
S.B. 949
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Senator Snelson submitted the following report for the Committee on Intergovernmental Relations:

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S.B. 1230
S.B. 1148
S.B. 1147 (Amended)
C.S.S.B. 991 (Read first time)
H.B. 654
S.B. 929
S.B. 864
S.B. 1211
S.J.R. 59
H.B. 844
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BILL AND RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate, after the caption had been read, the following enrolled bill and resolutions:

H.B. 244 H.C.R. 184 H.C.R. 77

SENATE BILLS ON FIRST READING

On motion of Senator Brooks and by unanimous consent, the following bills were introduced, read first time and referred to the Committee indicated:

S.B. 1295 by Brooks State Affairs Relating to temporary furloughs for inmates in the custody of the department of corrections.

S.B. 1296 by Brooks

Natural Resources
Relating to the purposes for which a water control and improvement district may issue bonds and spend tax revenue.

S.B. 1297 by Mauzy Intergovernmental Relations Relating to the establishment, powers, and duties of the Dallas County Juvenile Board, Juvenile Probation Department, and Court Services Department, and the offices of director of juvenile services and director of court services.

HOUSE BILLS AND RESOLUTION ON FIRST READING

The following bills and resolution received from the House were read the first time and referred to the Committee indicated:

- H.C.R. 39, To Committee on Jurisprudence.
- H.B. 3, To Committee on Jurisprudence.
- H.B. 205, To Committee on Human Resources.
- H.B. 306, To Committee on Finance. H.B. 585, To Committee on Economic Development.
- H.B. 792, To Committee on Economic Development.
- H.B. 801, To Committee on Intergovernmental Relations.
- H.B. 921, To Committee on Education.
- H.B. 1001, To Committee on State Affairs.
- H.B. 1058, To Committee on Education.
- H.B. 1733, To Committee on Human Resources.
- H.B. 1803, To Committee on State Affairs.
- H.B. 1876, To Committee on Human Resources.
- H.B. 1918, To Committee on Finance.

SENATE BILL 1257 WITH HOUSE AMENDMENT

Senator Farabee called S.B. 1257 from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Schlueter

Amend S.B. 1257, by renumbering on Page 2, Line 2, the current Section 3 as Section 4 and inserting a new Section 3 to read as follows:

SECTION 3. (a) This section may be used only by political subdivisions

- which are located partially or wholly within an area declared to be a natural disaster by the governor of the State of Texas and the federal government, and
 - in which property has been destroyed by a natural disaster.
- The governing body of any political subdivision qualified under Subsection (a) of this section imposing ad valorem taxes for the tax year beginning January 1, 1979, may require that property be assessed and equalized for 1979 with reference to the value on a date following the date of the natural disaster. The new valuation date must be effective for all property in the political subdivision.
- (c) If a county elects to change the valuation date for county ad valorem tax purposes, the new valuation date will also apply for State ad valorem tax purposes.

The amendment was read.

Senator Farabee moved that the Senate do not concur in the House amendment, but that a Conference Committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the Conference Committee on S.B. 1257 before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Farabee, Chairman; Jones of Taylor, Blake, Howard and Snelson.

SENATE BILL 557 WITH HOUSE AMENDMENT

Senator Jones of Harris called **S.B. 557** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment No. 1 - Close

Amend **S.B.** 557 by striking quoted Subsection (c) and inserting in lieu thereof the following:

(c) The schedule of filing fees for either a full term or an unexpired term	ı for
the various offices is as follows:	
(1) United States Senator\$2	
$\overline{(2)}$ All other statewide offices	
(3) United States representative	,500
(4) State senator	750
(5) State representative	400
(6) Member, state board of education	250
(7) Chief justice or associate justice,	
court of civil appeals	750
(8) District judge or judge of any court having	
status of a district court as classified in	
Section 61c of this code (Article 6.05c,	
Vernon's Texas Election Code)	700
(9) Judge of a statutory county court or judge of	
any court having status of a county court as	
classified in Section 61c of this code	
(Article 6.05c, Vernon's Texas Election	
Code) other than the constitutional	
county court	700
(10) District attorney or criminal district	
attorney or a county attorney that performs	
the same functions as either of the above	600
(11) A county office [All county offices]	
as classified in Section 61c of this	
code (Art. 6.05c, Vernon's Texas Election	
Code) for which a specific fee is not set by	
this Subsection [except county surveyor	
and inspector of hides and animals]	300
(12) County surveyor or inspector of hides	
and animals	50
(13) Judge of the constitutional county court	

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	and county commissioner,	
	county of 200,000 or more inhabitants	600
	county under 200,000 inhabitants	
(14)	Justice of the peace or constable	
	county of 200,000 or more inhabitants	500
	county under 200,000 inhabitants	
(15)	Public weigher	50

No fee shall be charged for any office of a political party.

The amendment was read.

Senator Jones of Harris moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 390 WITH HOUSE AMENDMENT

Senator Traeger called **S.B. 390** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment No. 1 - Blythe

Amend Sec. 3 of **S.B. 390** by striking out the last sentence in said section of the bill, and by substituting therefore the following:

"In the event a member who is cligible for service retirement shall die without having a written selection of optional allowance and designated beneficiary on file with said Board, and if the member leaves a lawful spouse surviving, then the surviving spouse of such member may select the optional benefit in the same manner as if the member had made the selection; but if the member leaves no lawful spouse surviving, then at the election of the executor or administrator of the estate of the member, the member shall be considered to have retired under an Option 4A benefit effective at the end of the calendar month preceding that in which the death of the member occurs, or such deceased member shall be considered as having been an active member at death, and the estate of the member shall be entitled to receive the accumulated contributions of the member."

The amendment was read.

Scnator Traeger moved to concur in the House amendment.

The motion prevailed.

CONSIDERATION OF NOMINATIONS

The President announced that the time had arrived for the Senate to consider the nominations to agencies, boards and commissions. (Notice of submission of these names having been given by Senator McKnight yesterday.)

EXECUTIVE SESSION

On motion of Senator Schwartz and by unanimous consent, the Senate agreed to meet in Executive Session.

Accordingly, the President at 10:57 o'clock a.m. directed all those not entitled to attend the Executive Session of the Senate to retire from the Senate Chamber and instructed the Sergeant-at-Arms to close all doors leading from the Chamber.

IN LEGISLATIVE SESSION

At the conclusion of the Executive Session, the President called the Senate to order as In Legislative Session at 11:30 o'clock a.m. today.

REPORT OF STANDING COMMITTEE

Senator Andujar, Vice-Chairman, submitted the following report for the Committee on State Affairs, Subcommittee on Nominations:

TO THE SENATE OF THE SIXTY-SIXTH LEGISLATURE, REGULAR SESSION:

We, your Subcommittee on Nominations, to which were referred the attached appointments, have had same under consideration, and beg to report them back to the Senate for final consideration.

To be a Member of the TEXAS INDUSTRIAL COMMISSION: Jon P. Underwood, Travis County.

To be Members of the STATE BOARD OF MEDICAL EXAMINERS: Dr. Ruth Bain, Travis County; Dr. John A. Welty, Cameron County; Dr. Carlos D. Godinez, Hidalgo County.

To be a Member of the TEXAS BOARD OF HEALTH: Dr. Richard W. Ragsdale, Denton County.

To be a Member of the BOARD OF DIRECTORS, TEXAS TURNPIKE AUTHORITY: Clive Runnells, Harris County.

To be a Member of the TEXAS ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS: William G. Nikolis, Dallas County.

To be Members of the ADVISORY COUNCIL ON SMALL BUSINESS ASSISTANCE: Jose Luna, Harris County; Mrs. Elizabeth Mercurio, El Paso County.

To be a Member of the FAMILY PRACTICE RESIDENCY ADVISORY COMMITTEE: Dr. E. J. Mason, Dallas County.

To be BRANCH PILOTS FOR THE PORTS OF GALVESTON COUNTY: Captain Harry L. Coker, Galveston County; Captain Albert F. Schurig, Galveston County; Captain Charles R. Gilchrist, Galveston County; Captain Russell Bryant, Galveston County.

NOMINEES CONFIRMED

Senator Andujar moved confirmation of the nominees reported by the Committee on State Affairs, Subcommittee on Nominations and considered in Executive Session.

The President asked if there were motions to sever nominees.

There were no motions offered.

The nominees were confirmed by the following vote: Yeas 30, Nays 0.

Absent-excused: McKnight.

GUEST PRESENTED

The President recognized Senator Longoria who presented to the Members of the Senate State Representative Laura de Herrera of Colorado.

COMMITTEE SUBSTITUTE SENATE JOINT RESOLUTION 7 ON SECOND READING

The President laid before the Senate on its second reading and passage to engrossment (The resolution having been read second time on Wednesday, May 2, 1979, with an amendment pending by Senator Schwartz, and consideration having been postponed until the conclusion of consideration of the nominations of the Governor on today):

C.S.S.J.R. 7, To repeal and prohibit all state ad valorem taxes on any property within this State by amending Article VIII, Section 1-e; amending Article VII, Section 17 to establish the State Higher Education Assistance Fund, and amending Article VII, Section 18 relating to the Permanent University Fund.

Question - Shall the pending amendment by Senator Schwartz be adopted?

On motion of Senator Schwartz and by unanimous consent, Mrs. Sis Meyers was granted permission to sit at Senator Schwartz's desk during debate of C.S.S.J.R. 7.

Senator Mauzy offered the following amendment to the pending amendment:

Amend amendment No. 1 to C.S.S.J.R. 7 by

Amending Section 1, Sec. 1-e(2), C.S.S.J.R. 7 by striking all new language and placing in lieu thereof the following words:

2. If The State Higher Education Assistance fund is created under the 1979 amendment to Article VII, Section 17, of the Texas Constitution, a receipt from previously authorized State ad valorem taxes for the years beginning January 1, 1978 and January 1, 1979 and delinquent taxes received for those years and prior years shall be deposited in the State Higher Education Assistance Fund. If any of those funds are used by eligible institutions of higher education prior to the effective date of the 1979 amendment to this section, the amount used shall be

deducted from the institution's allocation for the fiscal year 1979 under the provisions of Article VII, Section 17, of the Texas Constitution. If the funds used exceed the amount of the allocation for the fiscal year beginning September 1, 1979, the excess shall be deducted from the institution's allocation for the fiscal year beginning September 1, 1980. If the 1979 amendment to Article VII, Section 17, of the Texas Constitution, creating the State Higher Education Assistance Fund is not adopted, the receipts from previously authorized ad valorem taxes and delinquent taxes shall be deposited in the General Revenue Fund subject to appropriation by the Legislature.

The amendment to the pending amendment was read.

On motion of Senator Mauzy and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Howard offered the following amendment to the pending amendment:

Amend Amendment No. 1 to C.S.S.J.R. 7 by striking Section 2 and substituting the following:

SECTION 2. That Article VII, Section 17, of the Texas Constitution be amended to read as follows:

Sec. 17. (a) There is hereby established the State Higher Education Assistance Fund to which is hereby appropriated from the State Treasury for the fiscal year beginning September 1, 1981 and for each fiscal year thereafter, an amount equal to not less than six per cent (6%) of the total amount generated by formula items for state-supported senior colleges and universities as contained in the legislative appropriation for those items.

- (b) At or for the State institutions designated in this section, the State Higher Education Assistance Fund may be used for the purpose of acquiring land either with or without permanent improvements, constructing, equipping, repairing, and rehabilitating buildings or other permanent improvements and refunding any bonds or notes issued under this Section, except that the Fund may not be used for the purpose of constructing, equipping, repairing, and rehabilitating buildings or other permanent improvements that are to be used for student housing or intercollegiate athletics.
- (c) The governing board of each institution designated in this Section is authorized to pledge all or any part of the amounts of the Fund allotted to the institution to secure the payment of the principal and interest of bonds or notes issued for any of the purposes set forth in the Subsection (b) of this Section at the institution. The bonds and notes shall be issued in amounts determined by the governing board of each institution, be payable solely out of the amounts of the Fund allotted to the institution as hereinafter provided, mature serially or otherwise in not more than 10 years from their respective dates, and be sold only through competitive bidding. All bonds and notes issued under this Section are subject to the approval of the Attorney General of Texas, and when so approved, are incontestable.
- (d) The following State institutions shall receive annual allotments from the State Higher Education Assistance Fund:
 - (1) Angelo State University;
- (2) East Texas State University, including East Texas State University at Commerce and East Texas State University at Texarkana;
- (3) Lamar University, including Lamar University at Beaumont, Lamar University at Orange, and Lamar University at Port Arthur;

(4) Midwestern State University;

- (5) North Texas State University and Texas College of Osteopathic Medicine at Fort Worth;
- (6) Pan American University, including Pan American University at Edinburg and Pan American University at Brownsville;
 - Sam Houston State University;
 - Southwest Texas State University;
 - Stephen F. Austin State University;
 - (10) Sul Ross State University;
 - Texas Southern University;
 - (12) Texas State Technical Institute;
 - Texas Woman's University; (13)
- Texas Tech University and Texas Tech University Health Sciences (14)Center;
- University of Houston System, including University of Houston at (15)Houston, University of Houston Downtown College at Houston, University of Houston at Clear Lake City, and University of Houston Victoria Center at Victoria;
- University System of South Texas, including Texas A&I University at (16)Kingsville, Corpus Christi State University at Corpus Christi, and Laredo State University at Laredo; and
 (17) West Texas State University.

"None of the above listed institutions of higher learning shall be entitled to receive any part of the State Higher Education Assistance Fund if it becomes part of the University of Texas System or the Texas A&M System."

- (e) On August 15th of each year the comptroller of public accounts shall allot to each state institution of higher education designated in this Section its share of the State Higher Education Assistance Fund for the next following fiscal year based on the following formula:
- (1) 75 percent of the Fund shall be allocated to herein designated institutions based on the projected total enrollments of those institutions during the 10 years following the said annual allotment date, using the projected enrollments developed and furnished by the Coordinating Board, Texas College and University System; and
- (2) 25 percent of the Fund shall be alloted to the herein designated institutions based on space needs as determined by the Coordinating Board, Texas College and University System.
- (f) Notwithstanding Subsection (g) of this Section, for no fiscal year may the sum allotted to any state institution designated in this Section be less than is needed by the institution during the fiscal year to discharge its obligations on outstanding bonds and notes issued by the institution pursuant to this Section.
- (g) Other than the appropriations from the State Higher Education Assistance Fund, the state systems and institutions designated in this Section may not receive any funds from the State Treasury for acquiring land either with or without permanent improvements or for constructing, equipping, repairing, or rehabilitating buildings or other permanent improvements, except that in the case of fire or natural disaster the Legislature may appropriate from the State Treasury an amount sufficient to replace any uninsured loss so incurred. paragraph does not apply to legislative appropriations made prior to the adoption of this amendment.
- (h) This Section is self-enacting on the issuance f the Governor's proclamation declaring the adoption of this amendment, and the Comptroller of Public Accounts and the State Treasurer shall do all things necessary to effectuate this Section. This Section does not impair any obligation created by

the issuance of bonds or notes in accordance with prior law, and all outstanding bonds and notes shall be paid in full, both principal and interest, in accordance with their terms. Any provision of the Texas Constitution in conflict with this Section is repealed to the extent of the conflict.

The amendment to the pending amendment was read.

(Senator Snelson in Chair)

On motion of Senator Howard and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Howard offered the following amendment to the pending amendment:

Amend Amendment No. 1 to C.S.S.J.R. 7 by striking Section 2 and substituting the following:

- SECTION 2. That Article VII, Section 17, of the Texas Constitution be amended to read as follows:
- Sec. 17. (a) There is hereby established the State Higher Education Assistance Fund to which is hereby appropriated from the State Treasury for the fiscal year beginning September 1, 1981 and for each fiscal year thereafter, an amount equal to not less than six per cent (6%) of the total amount generated by formula items for state-supported senior colleges and universities as contained in the legislative appropriation for those items.
- (b) At or for the State institutions designated in this section, the State Higher Education Assistance Fund may be used for the purpose of acquirin land either with or without permanent improvements, constructing, equipping, repairing, and rehabilitating buildings or other permanent improvements and refunding any bonds or notes issued under this Section, except that the Fund may not be used for the purpose of constructing, equipping, repairing, and rehabilitating buildings or other permanent improvements that are to be used for student housing or intercollegiate athletics.
- (c) The governing board of each institution designated in this Section is authorized to pledge all or any part of the amounts of the Fund allotted to the institution to secure the payment of the principal and interest of bonds or notes issued for any of the purposes set forth in the Subsection (b) of this Section at the institution. The bonds and notes shall be issued in amounts determined by the governing board of each institution, be payable solely out of the amounts of the Fund allotted to the institution as hereinafter provided, mature serially or otherwise in not more than 10 years from their respective dates, and be sold only through competitive bidding. All bonds and notes issued under this Section are subject to the approval of the Attorney General of Texas, and when so approved, are incontestable.
- (d) The following State institutions shall receive annual allotments from the State Higher Education Assistance Fund:
 - (1) Angelo State University;
- (2) East Texas State University, including East Texas State University at Commerce and East Texas State University at Texarkana;
- (3) Lamar University, including Lamar University at Beaumont, Lamar University at Orange, and Lamar University at Port Arthur;
 - (4) Midwestern State University;
- (5) North Texas State University and Texas College of Osteopathic Medicine at Fort Worth;

- (6) Pan American University, including Pan American University at Edinburg and Pan American University at Brownsville;
 - (7) Sam Houston State University;
 - Southwest Texas State University
 - Stephen F. Austin State University;
 - (10) Sul Ross State University, including the Sul Ross Center at Uvalde;
 - (11)Texas Southern University;
 - Texas State Technical Institute;
 - Texas Woman's University;
- Texas Tech University and Texas Tech University Health Sciences $\overline{(14)}$ Center;
- (15)University of Houston System, including University of Houston at Houston, University of Houston Downtown College at Houston, University of Houston at Clear Lake City, and University of Houston Victoria Center at
- (16) University System of South Texas, including Texas A&I University at Kingsville, Corpus Christi State University at Corpus Christi, and Laredo State University at Laredo; and
- (17) West Texas State University.
 "None of the above listed institutions of higher learning shall be entitled to receive any part of the State Higher Education Assistance Fund if it becomes part of the University of Texas System or the Texas A&M System.'
- (e) On August 15th of each year the comptroller of public accounts shall allot to each state institution of higher education designated in this Section its share of the State Higher Education Assistance Fund for the next following fiscal year based on the following formula:
- (1) 75 percent of the Fund shall be allocated to herein designated institutions based on the projected total enrollments of those institutions during the 10 years following the said annual allotment date, using the projected enrollments developed and furnished by the Coordinating Board, Texas College and University System; and
- (2) 25 percent of the Fund shall be alloted to the herein designated institutions based on space needs as determined by the Coordinating Board, Texas College and University System.
- (f) Notwithstanding Subsection (g) of this Section, for no fiscal year may the sum allotted to any state institution designated in this Section be less than is needed by the institution during the fiscal year to discharge its obligations on outstanding bonds and notes issued by the institution pursuant to this Section.
- (g) Other than the appropriations from the State Higher Education Assistance Fund, the state systems and institutions designated in this Section may not receive any funds from the State Treasury for acquiring land either with or without permanent improvements or for constructing, equipping, repairing, or rehabilitating buildings or other permanent improvements, except that in the case of fire or natural disaster the Legislature may appropriate from the State Treasury an amount sufficient to replace any uninsured loss so incurred. paragraph does not apply to legislative appropriations made prior to the adoption of this amendment.
- (h) This Section is self-enacting on the issuance of the Governor's proclamation declaring the adoption of this amendment, and the Comptroller of Public Accounts and the State Treasurer shall do all things necessary to effectuate this Section. This Section does not impair any obligation created by the issuance of bonds or notes in accordance with prior law, and all outstanding bonds and notes shall be paid in full, both principal and interest, in accordance Any provision of the Texas Constitution in conflict with this with their terms. Section is repealed to the extent of the conflict.

The amendment to the pending amendment was read.

Question - Shall the amendment to the pending amendment be adopted?

RECESS

On motion of Senator Schwartz the Senate at 12:20 o'clock p.m. took recess until 2:00 o'clock p.m. today.

AFTER RECESS

The Senate met at 2:00 o'clock p.m. and was called to order by the President.

MESSAGE FROM THE HOUSE

House Chamber May 3, 1979

HONORABLE W. P. HOBBY PRESIDENT OF THE SENATE

SIR: I AM DIRECTED BY THE HOUSE TO INFORM THE SENATE THAT THE HOUSE HAS PASSED THE FOLLOWING:

S.C.R. 74 Congratulating the Federal Republic of Germany on the 30th anniversary of the proclamation of the Constitution of the Federal Republic of Germany

HCR 171, Commending Dolph Briscoe.

HCR 178, Commending William Robert "Bob" Poage.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

COMMITTEE SUBSTITUTE SENATE JOINT RESOLUTION 7 ON SECOND READING

The Senate resumed consideration of C.S.S.J.R. 7 with an amendment pending by Senator Howard to the pending amendment by Senator Schwartz.

Question - Shall the amendment to the pending amendment be adopted?

Senator Jones of Taylor offered the following substitute for the pending amendment by Senator Howard:

Amend Amendment No. 1 to C.S.S.J.R. 7 by striking Section 2 and substituting the following:

SECTION 2. That Article VII, Section 17, of the Texas Constitution be

amended to read as follows:

Sec. 17. (a) There is hereby established the State Higher Education Assistance Fund to which is hereby appropriated from the State Treasury for the fiscal year beginning September 1, 1981 and for each fiscal year thereafter, an amount equal to not less than six per cent (6%) of the total amount generated by formula items for state-supported senior colleges and universities as contained

in the legislative appropriation for those items.

At or for the State institutions designated in this section, the State Higher Education Assistance Fund may be used for the purpose of acquiring land either with or without permanent improvements, constructing, equipping, repairing, and rehabilitating buildings or other permanent improvements and refunding any bonds or notes issued under this Section. The State Higher Education Assistance Fund may also be used for acquiring capital education equipment and library books and library materials if so provided by law. None of the funds may be used for auxiliary enterprises.

- (c) The governing board of each institution designated in this Section is authorized to pledge all or any part of the amounts of the Fund allotted to the institution to secure the payment of the principal and interest of bonds or notes issued for any of the purposes set forth in the Subsection (b) of this Section at the institution. The bonds and notes shall be issued in amounts determined by the governing board of each institution, be payable solely out of the amounts of the Fund allotted to the institution as hereinafter provided, mature serially or otherwise in not more than 10 years from their respective dates, and be sold only through competitive bidding. All bonds and notes issued under this Section are subject to the approval of the Attorney General of Texas, and when so approved, are incontestable.
- (d) The following State institutions shall receive annual allotments from the State Higher Education Assistance Fund;

(1) Angelo State University;

- (2) East Texas State University, including East Texas State University at Commerce and East Texas State University at Texarkana;
- (3) Lamar University, including Lamar University at Beaumont, Lamar University at Orange, and Lamar University at Port Arthur;

(4) Midwestern State University;

- (5) North Texas State University and Texas College of Osteopathic Medicine at Fort Worth;
- (6) Pan American University, including Pan American University at Edinburg and Pan American University at Brownsville;
 - (7) Sam Houston State University;
 - Southwest Texas State University;
 - (9) Stephen F. Austin State University;
 - (10) Sul Ross State University including Sul Ross Center at Uvalde;
 - (11) Texas Southern University;
 - Texas State Technical Institute; Texas Woman's University;
 - (13)
- Texas Tech University and Texas Tech University Health Sciences $\overline{(14)}$ Center;
- University of Houston System, including University of Houston at (15)Houston, University of Houston Downtown College at Houston, University of Houston at Clear Lake City, and University of Houston Victoria Center at
- University System of South Texas, including Texas A&I University at (16)Kingsville, Corpus Christi State University at Corpus Christi, and Laredo State University at Laredo; and
- (17) West Texas State University, and similar institutions created by the Legislature, that are not a part of the University of Texas or Texas A&M Systems.

"None of the above listed institutions of higher learning shall be entitled to receive any part of the State Higher Education Assistance Fund if it becomes part of the University of Texas System or the Texas A&M System."

- (e) On August 15th of each year the comptroller of public accounts shall allot to each state institution of higher education designated in this Section its share of the State Higher Education Assistance Fund for the next following fiscal year based on the following formula:
- (1) 75 percent of the Fund shall be allocated to herein designated institutions based on the projected total enrollments of those institutions during the 10 years following the said annual allotment date, using the projected enrollments developed and furnished by the Coordinating Board, Texas College and University System; and
- (2) 25 percent of the Fund shall be allotted to the herein designated institutions based on space needs as determined by the Coordinating Board, Texas College and University System.
- (f) Notwithstanding Subsection (g) of this Section, for no fiscal year may the sum allotted to any state institution designated in this Section be less than is needed by the institution during the fiscal year to discharge its obligations on outstanding bonds and notes issued by the institution pursuant to this Section.
- (g) Other than the appropriations from the State Higher Education Assistance Fund, the state systems and institutions designated in this Section may not receive any funds from the State Treasury for acquiring land either with or without permanent improvements or for constructing, equipping, repairing, or rehabilitating buildings or other permanent improvements, except that in the case of fire or natural disaster the Legislature may appropriate from the State Treasury an amount sufficient to replace any uninsured loss so incurred. This paragraph does not apply to legislative appropriations made prior to the adoption of this amendment.
- (h) This Section is self-enacting on the issuance of the Governor's proclamation declaring the adoption of this amendment, and the Comptroller of Public Accounts and the State Treasurer shall do all things necessary to effectuate this Section. This Section does not impair any obligation created by the issuance of bonds or notes in accordance with prior law, and all outstanding bonds and notes shall be paid in full, both principal and interest, in accordance with their terms. Any provision of the Texas Constitution in conflict with this Section is repealed to the extent of the conflict.

The substitute for the pending amendment was read and failed of adoption by the following vote: Yeas 13, Nays 15.

Yeas: Brooks, Howard, Jones of Harris, Jones of Taylor, Longoria, Mengden, Parker, Patman, Santiesteban, Short, Snelson, Traeger, Williams.

Nays: Andujar, Blake, Braecklein, Clower, Doggett, Farabee, Harris, Kothmann, Mauzy, Mcier, Ogg, Price, Schwartz, Truan, Vale.

Absent: Creighton, Moore.

Absent-excused: McKnight.

Question recurring on the adoption of the amendment by Senator Howard to the pending amendment by Senator Schwartz, the amendment failed of adoption by the following vote: Yeas 12, Nays 15.

Yeas: Brooks, Howard, Jones of Harris, Jones of Taylor, Longoria, Moore, Parker, Patman, Short, Snelson, Traeger, Williams.

Nays: Andujar, Blake, Braecklein, Clower, Doggett, Farabee, Harris, Kothmann, Mauzy, Meier, Ogg, Santiesteban, Schwartz, Truan, Vale.

Absent: Creighton, Mengden, Price.

Absent-excused: McKnight.

Senator Howard offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7 by

Amending Subsec. 17(a) in Section 2 as follows:

- "(a) The State Higher Education Assistance Fund is hereby created as a special fund for the benefit of the following institutions: [of free standing degree granting general academic institutions created by the Legislature with governing boards that do not participate in the Permanent University Fund under Section 18 of this Article.]
 - (1) Angelo State University:
- (2) East Texas State University, including East Texas State University at Commerce and East Texas State University at Texarkana:
- (3) Lamar University, including Lamar University at Beaumont, Lamar University at Orange, and Lamar University at Port Arthur:
 - (4) Midwestern State University:
- (5) North Texas State University and Texas College of Osteopathic Medicine at Fort Worth:
- (6) Pan American University, including Pan American University at Edinburg and Pan American University at Brownsville:
 - (7) Sam Houston State University:
 - (8) Southwest Texas State University
 - (9) Stephen F. Austin State University:
 - (10) Sul Ross State University:
 - (11) Texas Southern University:
 - (12) Texas Woman's University:
- (13) Texas Tech University and Texas Tech University Health Sciences Center:
- (14) University of Houston System, including University of Houston at Houston, University of Houston Downtown College at Houston, University of Houston at Clear Lake City, and University of Houston Victoria Center at Victoria:
- (15) University System of South Texas, including Texas A & I University at Kingsville, Corpus Christi State University at Corpus Christi, and Laredo State University at Laredo; and
 - (16) West Texas State University.

"None of the above listed institutions of higher learning shall be entitled to receive any part of the State Higher Education Assistance Fund if it becomes part of the University of Texas System or the Texas A & M University System."

The amendment to the pending amendment was read.

Senator Jones of Taylor offered the following substitute for the pending amendment by Senator Howard:

Amend Amendment No. 1

C.S.S.J.R. No. 7 by striking that part of Section 17(a), page 3, at line 9 after the word "benefit" and continuing through line 12 and substituting the following:

"of each state institution of higher education, including each postsecondary technical institution, shall receive a share of the fund, except for a public community college or a component institution of The University of Texas System or The Texas A & M University System."

The substitute for the pending amendment was read and failed of adoption by the following vote: Yeas 11, Nays 16.

Yeas: Brooks, Howard, Jones of Taylor, Longoria, Parker, Patman, Santiesteban, Short, Snelson, Traeger, Williams.

Nays: Andujar, Blake, Braecklein, Clower, Doggett, Farabee, Harris, Jones of Harris, Kothmann, Mauzy, Meier, Moore, Ogg, Schwartz, Truan, Vale.

Absent: Creighton, Mengden, Price.

Absent-excused: McKnight.

Question recurring on the adoption of the amendment by Senator Howard to the pending amendment by Senator Schwartz, the amendment failed of adoption by the following vote: Yeas 12, Nays 14.

Yeas: Brooks, Howard, Jones of Harris, Longoria, Parker, Patman, Santiesteban, Short, Snelson, Traeger, Truan, Williams.

Nays: Andujar, Blake, Braecklein, Clower, Doggett, Farabee, Jones of Taylor, Kothmann, Mauzy, Meier, Moore, Ogg, Schwartz, Vale.

Absent: Creighton, Harris, Mengden, Price.

Absent-excused: McKnight.

Senator Howard offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7 by striking Subsection 17(d) in Section 2 and substituting the following:

(d) On August 15th of each year the comptroller of public accounts shall allot to each state institution of higher education designated in this Section its share of the State Higher Education Assistance Fund for the next following fiscal year based on the following formula:

(1) 75 percent of the Fund shall be allocated to herein designated institutions based on the projected total enrollments of those institutions during the 10 years following the said annual allotment date, using the projected enrollments developed and furnished by the Coordinating Board, Texas College and University System; and

(2) 25 percent of the Fund shall be allotted to the herein designated institutions based on space needs as determined by the Coordinating Board, Texas College and University System.

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 10, Nays 16.

Yeas: Brooks, Howard, Longoria, Parker, Patman, Short, Snelson, Traeger, Truan, Williams.

Nays: Andujar, Blake, Braecklein, Clower, Doggett, Farabee, Jones of Harris, Jones of Taylor, Kothmann, Mauzy, Meier, Moore, Ogg, Santiesteban, Schwartz, Vale.

Absent: Creighton, Harris, Mengden, Price.

Absent-excused: McKnight.

Scnator Parker offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to C.S.S.J.R. No. 7 on page 4 by adding a new Subsection (d), and relettering the following sections accordingly, to read as follows:

(d) A general academic institution entitled to benefit from the state higher education assistance fund may expend all or part of its allocation for major repair or rehabilitation of a state-owned building under its management on the campus of a branch campus or educational center governed by the governing board of the institution.

(Senator Brooks in Chair)

The amendment to the pending amendment was read.

(President in Chair)

On motion of Senator Parker and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Parker offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to C.S.S.J.R. No. 7 on page 4 by adding a new Subsection (d), and relettering the following sections accordingly, to read as follows:

(d) A general academic institution entitled to benefit from the state higher education assistance fund may upon approval of the Legislature or designated agency expend all or part of its allocation for major repair or rehabilitation of a state-owned building under its management on the campus of a branch campus or educational center governed by the governing board of the institution.

The amendment to the pending amendment was read and was adopted.

Scnator Snelson offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to C.S.S.J.R. 7, Secion 2 by adding a new Subsec. 17(f) as following:

(f) The governing board of each institution designated in this Section is authorized to pledge all or any part of the amounts of the Fund allotted to the institution to secure the payment of the principal and interest of bonds or notes issued for any of the purposes set forth in the Subsection (c) of this Section. The bonds and notes shall be issued in amounts determined by the governing board of each institution, be payable solely out of the amounts of the Fund allotted to the institution as hereinafter provided, mature serially or otherwise in not more than 10 years from their respective dates, and be sold only through competitive bidding. All bonds and notes issued under this Section are subject to the approval of the Attorney General of Texas, and when so approved, are incontestable. Notwithstanding Subsection (d) of this Section, for no fiscal year may the sum allotted to any state institution designated in this Section be less than is needed by the institution during the fiscal year to discharge its obligations on outstanding bonds and notes issued by the institution pursuant to this Section.

The amendment to the pending amendment was read.

On motion of Senator Snelson and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Jones of Taylor offered the following amendment to the pending amendment by Senator Schwartz:

Amend amendment No. 1 to **C.S.S.J.R.** 7 by striking the word "following" on line 21, page 5, all of lines 23 through 27 on page 5, lines 1 through 4 on page 6; the word "following" on line 18, page 6, lines 19 through 27 on page 6, and lines 1 through 5 on page 7

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 11, Nays 15.

Yeas: Blake, Braecklein, Brooks, Farabee, Howard, Jones of Taylor, Longoria, Mauzy, Short, Snelson, Truan.

Nays: Andujar, Clower, Doggett, Harris, Kothmann, Meier, Moore, Parker, Patman, Price, Santiesteban, Schwartz, Traeger, Valc, Williams.

Absent: Creighton, Jones of Harris, Mengden, Ogg.

Absent-excused: McKnight.

Scnator Jones of Taylor offered the following amendment to the pending amendment by Scnator Schwartz:

Amend Amendment No. 1 to CSSJR 7 by line at Section 18(a)(4) page 5, Line (4) and substituting:

"(4) Moody College"

The amendment to the pending amendment was read.

On motion of Senator Jones of Taylor and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Moore offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to C.S.S.J.R. No. 7 on page 5, line 23, by inserting ", including its existing medical programs which the Legislature may authorize as a separate medical institution" between "Station" and ";".

The amendment to the pending amendment was read and was adopted.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7, Sec. 18(a), Section 3 of C.S.S.J.R. 7 by striking the words "ten per cent (10%)" and adding in that place the words "one-third (1/3) of twenty per cent (20%)".

The amendment to the pending amendment was read.

(Senator Snelson in Chair)

The amendment to the pending amendment failed of adoption by the following vote: Yeas 8, Nays 17.

Yeas: Blake, Clower, Doggett, Farabee, Jones of Taylor, Mauzy, Meier, Snelson.

Nays: Andujar, Braecklein, Brooks, Howard, Jones of Harris, Kothmann, Longoria, Moore, Parker, Patman, Santiesteban, Schwartz, Short, Traeger, Truan, Vale, Williams.

Absent: Creighton, Harris, Mcngden, Ogg, Price.

Absent-excused: McKnight.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7, Sec. 18(b), Section 3 by adding the words "of two-thirds (2/3)" after the words "cumulative amount" and before the words "of twenty per cent (20%)".

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 8, Nays 16.

Yeas: Blake, Clower, Doggett, Farabee, Jones of Taylor, Mauzy, Meier, Snelson.

Nays: Andujar, Braecklein, Brooks, Howard, Jones of Harris, Kothmann, Longoria, Moore, Patman, Santiesteban, Schwartz, Short, Traeger, Truan, Vale, Williams

Absent: Creighton, Harris, Mengden, Ogg, Parker, Price.

Absent-excused: McKnight.

Senator Jones of Taylor offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7 Section 18(c), Section 2, by striking the words "Without the prior approval of the Legislature or an agency authorized by the Legislature to grant the approval," and by striking the period "." at the end of (c) and placing in lieu of that period the words "or other auxiliary enterprises."

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 6, Nays 20.

Yeas: Blake, Howard, Jones of Harris, Jones of Taylor, Mauzy, Meier.

Nays: Andujar, Braecklein, Brooks, Clower, Doggett, Farabee, Kothmann, Longoria, Moore, Parker, Patman, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Absent: Creighton, Harris, Mengden, Ogg.

Absent-excused: McKnight.

Question - Shall the pending amendment by Senator Schwartz be adopted?

ADMINISTRATION COMMITTEE GRANTED PERMISSION TO MEET

On motion of Senator Jones of Harris and by unanimous consent, the Administration Committee was granted permission to meet while the Senate was in session.

COMMITTEE SUBSTITUTE HOUSE BILL 558 ORDERED NOT PRINTED

On motion of Senator Jones of Taylor and by unanimous consent, C.S.H.B. 558 was ordered not printed.

MESSAGE FROM THE HOUSE

House Chamber May 3, 1979

HONORABLE W. P. HOBBY PRESIDENT OF THE SENATE

SIR: I AM DIRECTED BY THE HOUSE TO INFORM THE SENATE THAT THE HOUSE HAS PASSED THE FOLLOWING:

All necessary rules suspended, and the House concurred in Senate Amendments to House Bill No. 637 by a vote of 116 Ayes, 2 Noes, 2 Present-Not Voting.

All necessary rules suspended, and the House concurred in Senate Amendments to House Bill No. 1781 by a vote of 111 Ayes, 0 Noes, 2 Present-Not Voting.

All necessary rules suspended, and the House concurred in Senate Amendments to House Bill No. 28 by a vote of 114 Ayes, 8 Noes, 2 Present-Not Voting.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

COMMITTEE SUBSTITUTE SENATE JOINT RESOLUTION 7 ON SECOND READING

The Senate resumed consideration of **C.S.S.J.R.** 7 on its second reading and passage to engrossment with an amendment by Senator Schwartz pending.

Question - Shall the pending amendment by Senator Schwartz be adopted?

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to C.S.S.J.R. 7 Section 3, 18(a) by striking it in its entirety and placing in lieu thereof subsection (d) as follows:

(d) The Available University Fund consists of the dividends, interest, and other income, less administrative expense, of the Permanent University Fund, including net income attributable to surface leases of Permanent University Fund land. Out of one-third (1/3) of the Available University Fund, is pledged an annual sum sufficient to pay the principal and interest due on the bonds and notes issued by the Board of Regents of the Texas A&M University System pursuant to this section and its predecessor sections, and the remainder of such one-third (1/3) of the Available University Fund shall be used for the support and maintenance of all component institutions of the Texas A&M University System, including The Texas A&M University System Administration. Out of the other two-thirds (2/3) of the Available University fund, there is pledged an annual sum sufficient to pay the principal and interest due on the bonds and notes issued by the Board of Regents of The University of Texas System pursuant to this section and its predecessor sections, and the remainder of such two-thirds (2/3) of the Available University Fund shall be used for the support and maintenance of all the component institutions of The University of Texas System, including The University of Texas System Administration.

The amendment to the pending amendment was read.

Senator Jones of Taylor offered the following substitute for the pending amendment by Senator Mauzy:

Amend Amendment No. 1 to CSSJR 7 by striking paragraph at Section 3. Sec. 18(d) page 7, lines 13 through 27 and page 8, lines 1 through 6 and renumbering subsequent paragraphs.

The substitute for the pending amendment was read and failed of adoption by the following vote: Yeas 5, Nays 19.

Yeas: Jones of Harris, Jones of Taylor, Mauzy, Meier, Snelson.

Nays: Andujar, Blake, Braecklein, Brooks, Clower, Doggett, Howard, Kothmann, Longoria, Moore, Parker, Patman, Santiesteban, Schwartz, Short, Traeger, Truan, Vale, Williams.

Absent: Creighton, Farabee, Harris, Mengden, Ogg, Price.

Absent-excused: McKnight.

Question recurring on the adoption of the amendment by Senator Mauzy to the pending amendment by Senator Schwartz, the amendment failed of adoption by the following vote: Yeas 4, Nays 20.

Yeas: Howard, Mauzy, Truan, Vale.

Nays: Andujar, Blake, Braecklein, Brooks, Clower, Doggett, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Meier, Moore, Parker, Patman, Santiesteban, Schwartz, Short, Snelson, Traeger, Williams.

Absent: Creighton, Farabee, Harris, Mengden, Ogg, Price.

Absent-excused: McKnight.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7 by amending Sec. 18(g), Section 3 by striking the words "Any provision of the Texas Constitution in conflict with this section is hereby repealed to the extent of such conflict."

The amendment to the pending amendment was read.

On motion of Senator Mauzy and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1, Section 3 of C.S.S.J.R. 7 by striking it in its entirety.

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 4, Nays 23.

Yeas: Doggett, Jones of Harris, Jones of Taylor, Mauzy.

Nays: Andujar, Blake, Braecklein, Brooks, Clower, Farabee, Harris, Howard, Kothmann, Longoria, Meier, Moore, Parker, Patman, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Absent: Creighton, Mengden, Ogg.

Absent-excused: McKnight.

(President in Chair)

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7 by amending Sec. 18(g), Section 3 by striking the words "Any provision of the Texas Constitution in conflict with this section is hereby repealed to the extent of such conflict."

The amendment to the pending amendment was read and was adopted.

Senator Snelson offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7, Section 2 by adding a new Subsec. 17(f) as following:

(f) The governing board of each institution designated in this Section is authorized to pledge all or any part of the amounts of the Fund allotted to the institution to secure the payment of the principal and interest of bonds or notes issued for any of the purposes set forth in the Subsection (c) of this Section. The bonds and notes shall be issued in amounts determined by the governing board of each institution, be payable solely out of the amounts of the Fund allotted to the institution as hereinafter provided, mature serially or otherwise in not more than 10 years from their respective dates, and be sold only through competitive bidding. No governing board shall issue bonds in which the average annual payments of principal and interest will be more than eighty percent (80%) of the estimated annual allocation to the governing board from the State Higher Education Assistance Fund. All bonds and notes issued under this Section are subject to the approval of the Attorney General of Texas, and when s approved, are incontestable. Notwithstanding Subsection (d) of this Section, for no fiscal year may the sum allotted to any state institution designated in this Section be less than is needed by the institution during the fiscal year to discharge its obligations on outstanding bonds and notes issued by the institution pursuant to this Section.

The amendment to the pending amendment was read and was adopted.

Senator Doggett offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to CSSJR 7 by adding a new Section 4 and a new Section 5 to read as following:

SECTION 4. That Article III, Section 49, of the Texas Constitution be amended to read as follows:

Sec. 49. (a) State debt may not be incurred except as authorized by this constitution.

(b) "State debt" means bonds or other evidences of indebtedness that are secured by the general credit of the state or are to be repaid from taxes, fees, tuition, or other charges of the state, a state senior college or university, or a state agency or institution having statewide jurisdiction. "State debt" does not include bonds or other evidences of indebtedness issued to finance a project if the debt is authorized by law and is payable solely from revenues generated by the project to be financed or projects auxiliary thereto.

- (c) State debt may not be authorized by law unless approved by a record affirmative two-thirds vote of the membership of each house of the legislature and submitted to and approved by a majority of the qualified voters of the state voting on the question.
 - (d) State debt may be authorized by law to refund outstanding state debt.

 [No debt shall be created by or on behalf of the State, except to supply

casual deficiencies of revenue, repel invasion, suppress insurrection, defend the State in war, or pay existing debt, and the debt created to supply deficiencies in the revenue, shall never exceed in the aggregate at any one time two hundred thousand dollars.]

SECTION 5. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the Tuesday after the first Monday in November, 1979, at which election the ballots shall be printed to provide for voting for or against the proposition, to wit: "The constitutional amendment to repeal and prohibit all state ad valorem taxes on any property within this state, to prohibit the creation of a general state debt unless approved by a two-thirds vote of the membership of each house of the legislature and by a majority of the qualified voters of the state voting on the question, to amend Article VII, Section 17, of the Texas Constitution to establish the State Higher Education Assistance Fund, and to amend Article VII, Section 18 of the Texas Constitution relating to the Permanent University Fund."

The amendment to the pending amendment was read and was adopted by the following vote: Yeas 15, Nays 12.

Yeas: Andujar, Blake, Braecklein, Clower, Doggett, Farabee, Howard, Jones of Harris, Jones of Taylor, Kothmann, Mauzy, Meier, Patman, Short, Traeger.

Nays: Brooks, Harris, Longoria, Moore, Parker, Price, Santiesteban, Schwartz, Snelson, Truan, Vale, Williams.

Absent: Creighton, Mengden, Ogg.

Absent-excused: McKnight.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 C.S.S.J.R. 7 by striking Section 4 and substituting the following:

- SECTION 4. (a) The constitutional amendment proposed by Section 1 of this resolution shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to repeal and prohibit all state ad valorem taxes on any property within this state."
- (b) The constitutional amendment proposed by Section 2 of this resolution shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to establish the State Higher Education Assistance Fund."
- (c) The constitutional amendment proposed by Section 3 of this resolution shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the

proposition: "The constitutional amendment to amend Article VII, Section 18, of the Texas Constitution relating to the Permanent University Fund."

The amendment to the pending amendment was read.

On motion of Senator Mauzy and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 C.S.S.J.R. 7 by striking Section 4 and substituting the following:

- SECTION 4. (a) The constitutional amendment proposed by Section 1 of this resolution shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to repeal and prohibit all state ad valorem taxes on any property within this state."
- (b) The constitutional amendment proposed by Section 2 of this resolution shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to establish the State Higher Education Assistance Fund."
- (c) The constitutional amendment proposed by Section 3 of this resolution shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to amend Article VII, Section 18, of the Texas Constitution relating to the Permanent University Fund."
- (d) The constitutional amendment proposed by Section 4 of this resolution shall be submitted to the voters for an election to be held on Nov. 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to prohibit the creation of a general state debt."

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 3, Nays 23.

Yeas: Doggett, Mauzy, Snelson.

Nays: Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Harris, Howard, Jones of Taylor, Kothmann, Longoria, Meier, Moore, Parker, Patman, Price, Santiesteban, Schwartz, Short, Traeger, Truan, Vale, Williams.

Absent: Farabec, Jones of Harris, Mengden, Ogg.

Absent-excused: McKnight.

Scnator Jones of Harris offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 to C.S.S.J.R. 7 by striking everything below the resolving clause and substituting in lieu thereof the following:

SECTION 1. That Article VII, Section 17, of the Texas Constitution be repealed.

SECTION 2. That Article VIII, Section 1-c, of the Texas Constitution be amended to read as follows:

Sec. 1-e.

- 1. From and after December 31, 1978, no State ad valorem taxes shall be levied upon any property within this State [for State purposes except the tax levied by Article VII, Section 17, for certain institutions of higher learning].
- 2. All money collected before January 1, 1981, from previously authorized state ad valorem taxes that is not used to retire previously issued bonds shall be used by the state institutions eligible to receive funds from the tax for the twelve-year period beginning January 1, 1966, for the purpose of acquiring, constructing, and initially equipping buildings or other permanent improvements, The funds shall be allocated among the but not for auxiliary enterprises. institutions according to the formula previously provided for allocating 85 percent of the proceeds of the tax. Money collected from the tax after December 1980, shall be deposited in the state treasury. [The State ad valorem tax authorized by Article-VII, Section 3, of this Constitution shall be imposed at the following rates on each One Hundred Dollars (\$100.00) valuation for the years 1968 through 1974: On January 1, 1968, Thirty five Cents (\$.35); on January 1, 1969, Thirty Cents (\$.30); on January 1, 1970, Twenty five Cents (\$.25); on January 1, 1971, Twenty Cents (\$.20); on January 1, 1972, Fifteen Cents (\$.15); on January 1, 1973, Ten Cents (\$.10); on January 1, 1974, Five Cents (\$.05); and thereafter if such tax for school purposes shall-be-levied and collected. An amount sufficient to provide free textbooks for the use of children-attending the public free schools of this State shall be set aside from any-revenues deposited in the Available School Fund, provided, however, that should such funds be insufficient, the deficit-may be met by appropriation from the general funds of the State.
- [3. The State ad valorem tax of Two Cents (\$.02) on the One Hundred Dollars valuation levied by Article VII, Section 17, of this Constitution shall not be levied after December 31, 1976. At any time prior to December 31, 1976, the Legislature may establish a trust fund solely for the benefit of the widows of Confederate veterans and such Texas Rangers and their widows as are eligible for retirement or disability pensions under the provisions of Article XVI, Section 66, of this Constitution, and after such fund is established the ad valorem tax levied by Article VII, Section 17, shall not thereafter be levied.
- [4. Unless otherwise provided by the Legislature, after December 31, 1976, all delinquent-State ad valorem taxes together with penalties and interest thereon, less lawful costs of collection, shall be used to secure bonds issued for permanent improvements of institutions of higher learning, as authorized by Article VII, Section 17, of this Constitution.]
- 3.[5-] The fees paid by the State for both assessing and collecting State ad valorem taxes shall not exceed two percent (2%) of the State taxes collected. This subsection shall be self-executing.
- SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment repealing the 10-cent state property tax."

The amendment to the pending amendment was read.

On motion of Senator Jones of Harris and by unanimous consent, the amendment to the pending amendment was withdrawn.

Senator Mauzy offered the following amendment to the pending amendment by Senator Schwartz:

- Amend C.S.S.J.R. 7 by striking all below the resolving clause and substituting the following:
- Section 1. That Article VIII, Section 1-e, of the Texas Constitution be amended to read as follows:
- Sec. 1-e. 1. No [From and after December 31, 1979, no] State ad valorem taxes shall be levied upon any property within this State after December 31, 1979 [for State purposes except the tax levied by Article VII, Section 17, for certain institutions of higher learning].
- 2. All receipts from previously authorized State ad valorem taxes for the years beginning January 1, 1978, and January 1, 1979, and delinquent taxes received for those years and prior years shall be deposited in the State Treasury subject to appropriation by the Legislature. [The State ad valorem-tax authorized by Article VII, Section 3, of this Constitution shall be imposed at the following rates on each One Hundred Dollars (\$100.00) valuation for the years 1968 through 1974: On January 1, 1968, Thirty-five Cents (35¢); on January 1, 1969, Thirty Cents (30¢); on January 1, 1970, Twenty-five Cents (25¢); on January 1, 1971, Twenty Cents (20¢); on January 1, 1972, Fifteen Cents (15¢); on January 1, 1973, Ten Cents (10¢); on January 1, 1974, Five Cents (5¢); and thereafter no such tax for school-purposes shall be levied-and collected. An amount sufficient to provide free text books for the use of children attending the public free schools of this State shall be set aside from any revenues deposited in the Available School Fund, provided, however, that should such funds be insufficient, the deficit may be met by appropriation from the general funds of the State.
- [3. The State ad valorem tax of Two Cents (2¢) on the One Hundred Dollars valuation levied by Article VII, Section 17, of this Constitution shall not be levied after December 31, 1976. At any time prior to December 31, 1976, the Legislature may establish a trust fund solely for the benefit of the widows of Confederate veterans and such Texas Rangers and their widows as are eligible for retirement or disability pensions under the provisions of Article XVI, Section 66, of this Constitution, and after such fund is established the ad valorem tax levied by Article VII, Section 17, shall not thereafter be levied.
- [4. Unless otherwise provided by the Legislature, after December 31, 1976, all delinquent State ad valorem taxes together with penalties and interest thereon, less lawful costs of collection, shall be used to secure bonds issued for permanent improvements as institutions of higher learning, as authorized by Article VII, Section 17, of this Constitution.]
- 3.[5-] The fees paid by the state for both assessing and collecting State ad valorem taxes shall not exceed two per cent (2%) of the State taxes collected. This subsection shall be self-executing.
- Section 2. That Article VII, Section 10, of the Texas Constitution be repealed.
- Section 3. That Article VII, Section 11, of the Texas Constitution be repealed.
- Section 4. That Article VII, Section 11a, of the Texas Constitution be repealed.
- Section 5. That Article VII, Section 12, of the Texas Constitution be repealed.
- Section 6. That Article VII, Section 13, of the Texas Constitution be repealed.
- Section 7. That Article VII, Section 14, of the Texas Constitution be repealed.

Section 8. That Article VII, Section 15, of the Texas Constitution be repealed.

Section 9. That Article VII, Section 17, of the Texas Constitution be repealed.

Section 10. That Article VII, Section 18, of the Texas Constitution be repealed.

Section 11. That the administration of the lands and all investment of income from those lands be carried out by the State Treasurer as directed by law. This Section shall be self-enacting upon the issuance of the Governor's proclamation declaring the adoption of this Amendment, and the State Comptroller of Public Accounts and State Treasurer shall do all things necessary to effectuate this Section, but nothing herein shall be construed to impair any obligation heretofore created by the issuance of any outstanding bonds under the Section hereby amended or its predecessor Sections, and all such outstanding bonds and notes shall be paid in full, both principal and interest, in accordance with their terms. Any provision of the Texas Constitution in conflict with this Section is hereby repealed to the extent of such conflict.

Section 12. That Article VII, Section 16, be amended by renumbering it so that it becomes Section 10.

Section 13. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 6, 1979. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to repeal and prohibit all state ad valorem taxes on any property within this state, and to repeal Article VII, Section 17, of the Texas Constitution, and to repeal Article VII, Section 18, of the Texas Constitution."

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 1, Nays 26.

Yeas: Mauzy.

Nays: Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Howard, Jones of Harris, Jones of Taylor, Kothmann, Longoria, Meier, Moore, Parker, Patman, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Absent: Harris, Mengden, Ogg.

Absent-excused: McKnight.

Senator Jones of Harris offered the following amendment to the pending amendment by Senator Schwartz:

Amend Amendment No. 1 C.S.S.J.R. 7 by striking everything below the resolving clause and substituting in lieu thereof the following:

SECTION 1. That Article VII, Section 17, of the Texas Constitution be repealed.

SECTION 2. That Article VIII, Section 1-e, of the Texas Constitution be amended to read as follows:

Sec. 1-e.

1. From and after December 31, 1979, no State ad valorem taxes shall be levied upon any property within this State [for State purposes except the tax levied by Article VII, Section 17, for certain institutions of higher learning].

- 2. All money collected before January 1, 1981, from previously authorized state ad valorem taxes that is not used to retire previously issued bonds shall be used by the state institutions eligible to receive funds from the tax for the twelveyear period beginning January 1, 1966, for the purpose of acquiring, constructing, and initially equipping buildings or other permanent improvements, but not for auxiliary enterprises. The funds shall be allocated among the institutions according to the formula previously provided for allocating 85 percent of the proceeds of the tax. Money collected from the tax after December 1980, shall be deposited in the state treasury. [The State ad valorem tax authorized by Article VII, Section-3, of this Constitution shall-be imposed at the following rates on each One-Hundred Dollars (\$100.00) valuation for the years 1968 through 1974: On January 1, 1968, Thirty-five Cents-(\$.35); on January 1, 1969, Thirty Cents (\$.30); on January 1, 1970, Twenty five Cents (\$.25); on January 1, 1971, Twenty Cents (\$.20); on January 1, 1972, Fifteen Cents (\$15); on January 1, 1973, Ten Cents (\$.10); on January 1, 1974, Five Cents (\$.05); and thereafter as such tax for school purposes shall be levied and collected. An amount-sufficient to provide-free-textbooks for the use of children attending the public free schools of this State shall be set aside from any revenues deposited in the Available School Fund, provided, however, that should such funds be insufficient, the deficit may be met by appropriation-from the general funds of the State.
- [3. The State ad valorem tax of Two Cents (\$.02) on the One-Hundred Dollars valuation levied by Article-VII, Section 17, of this Constitution shall not be levied after December 31, 1976. At any time prior to December 31, 1976, the Legislature may establish a trust fund solely for the benefit of the widows of Confederate veterans and such Texas Rangers and their widows as are eligible for retirement or disability pensions under the provisions of Article XVI, Section 66, of this Constitution, and after such fund is established the ad valorem tax levied by Article VII, Section 17, shall not thereafter be levied.
- [4. Unless otherwise provided by the Legislature, after December 31, 1976, all delinquent State ad valorem taxes together with penalties and interest thereon, less lawful costs of collection, shall be used to secure bonds issued for permanent improvements at institutions of higher learning, as authorized by Article-VII, Section 17, of this Constitution.]
- 3.[5-] The fees paid by the State for both assessing and collecting State ad valorem taxes shall not exceed two per cent (2%) of the State taxes collected. This subsection shall be self-executing.
- SECTION 3. That Article III, Section 49, of the Texas Constitution be amended to read as follows:
- Sec. 49. (a) State debt may not be incurred except as authorized by this constitution.
- (b) "State debt" means bonds or other evidences of indebtedness that are secured by the general credit of the state or are to be repaid from taxes, fees, tuition, or other charges of the state, a state senior college or university, or a state agency or institution having statewide jurisdiction. "State debt" does not include bonds or other evidences of indebtedness issued to finance a project if the debt is authorized by law and is payable solely from revenues generated by the project to be financed or projects auxiliary thereto.
- (c) State debt may not be authorized by law unless approved by a record affirmative two-thirds vote of the membership of each house of the legislature and submitted to and approved by a majority of the qualified voters of the state voting on the question.
 - (d) State debt may be authorized by law to refund outstanding state debt.

[No debt shall be created by or on behalf of the State, except to supply easual deficiencies of revenue, repel-invasion, suppress-insurrection, defend the State in war, or pay existing debt, and the debt created to supply deficiencies in the revenue, shall never exceed in the aggregate at any one time two hundred thousand dollars.]

SECTION 4. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the Tuesday after the first Monday in November, 1979, at which election the ballots shall be printed to provide for voting for or against the proposition, to wit: "The constitutional amendment to repeal and prohibit all state ad valorem taxes on any property within this state, and to prohibit the creation of a general state debt unless approved by a two-thirds vote of the membership of each house of the legislature and by a majority of the qualified voters of the state voting on the question.

The amendment to the pending amendment was read and failed of adoption by the following vote: Yeas 4, Nays 22.

Yeas: Jones of Harris, Jones of Taylor, Mauzy, Patman.

Nays: Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Howard, Kothmann, Longoria, Meier, Moore, Price, Santiesteban, Schwartz, Short, Snelson, Traeger, Truan, Vale, Williams.

Absent: Harris, Mengden, Ogg, Parker.

Absent-excused: McKnight.

Question - Shall the pending amendment by Senator Schwartz be adopted?

REPORT OF STANDING COMMITTEE

By unanimous consent, Senator Jones of Harris submitted the following report for the Committee on Administration:

S.C.R. 85 H.C.R. 79 H.C.R. 91 H.C.R. 108 H.C.R. 114 H.C.R. 119 H.C.R. 120 H.C.R. 121 H.C.R. 151

MESSAGE FROM THE HOUSE

House Chamber May 3, 1979

HONORABLE W. P. HOBBY PRESIDENT OF THE SENATE

SIR: I AM DIRECTED BY THE HOUSE TO INFORM THE SENATE THAT THE HOUSE HAS PASSED THE FOLLOWING:

HB 938, A bill to be entitled An Act relating to the application of the Texas Sunset Act to the Texas Department of Water Resources, Texas Water Development Board, and Texas Water Commission.

HB 1575, A bill to be entitled An Act relating to the reprimanding of teachers or the suspension of teaching certificates by the state commissioner of education; amending Section 13.046, Texas Education Code; and declaring an emergency.

HB 1610, A bill to be entitled An Act relating to allocation of funds under the foundation school program for educational programs for gifted and talented students.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

COMMITTEE SUBSTITUTE SENATE JOINT RESOLUTION 7 ON SECOND READING

The Senate resumed consideration of **C.S.S.J.R.** 7 on its second reading and passage to engrossment with an amendment by Senator Schwartz pending.

Question - Shall the pending amendment by Senator Schwartz be adopted?

CONSIDERATION OF COMMITTEE SUBSTITUTE SENATE JOINT RESOLUTION 7 POSTPONED

On motion of Senator Schwartz and by unanimous consent, consideration of C.S.S.J.R. 7 was postponed until 11:30 o'clock a.m., Monday, May 7, 1979.

Question - Shall the pending amendment by Senator Schwartz be adopted?

MEMORIAL RESOLUTIONS

- H.C.R. 179 (Andujar) Memorial resolution for Mitchell Wilder.
- S.R. 517 By Schwartz: Memorial resolution for Michael Joseph Johnson.

WELCOME AND CONGRATULATORY RESOLUTIONS

- **S.R. 515** By Doggett: Extending congratulations to Commodore and Mrs. Marion Fowler.
- S.R. 516 By Doggett: Extending welcome to Mr. and Mrs. Joseph P. Macken.
 - S.R. 518 By Clower: Extending congratulations to Mrs. Mary Beakley.
- **S.R. 519** By Schwartz: Extending congratulations to Mrs. Janelle Monroe, Bill Murphrey and government students from Bay City High School.